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*This study was accomplished by professional consultants under contract to the Area Redevelopment Administration. While ARA assumes no responsibility for the statements and conclusions made in this study, it believes that the problems discussed, and the solutions suggested, may be useful as a direction or indicator of experience to many communities engaged in economic development and redevelopment.*

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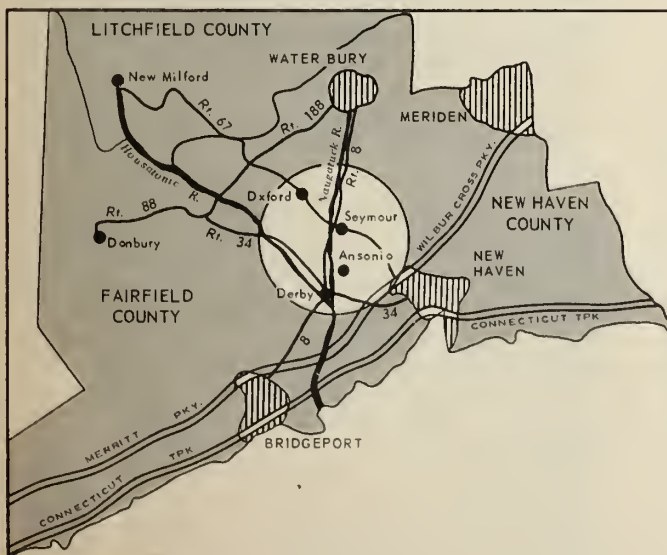
## REASONS FOR THE AREA'S PRESENT UNEMPLOYMENT

### Loss of markets by the brass industry

Connecticut's Naugatuck Valley is often called the "Brass Valley." Until World War II it had the greatest concentration of employment in that primary metal industry in the country. Big new plants in the Midwest have reduced the Connecticut industry to a regional supplier of most of the standard goods offered by the industry. It retains its dominance, however, as a supplier of brass specialties.

When this change was taking place within the industry itself, the traditional markets for brass were being limited by the rapid rise in the use of aluminum and plastics. Aluminum has taken over part of the market for building hardware and part of the market for high tension transmission cables. Plastics have taken over some of the market for water pipe from mains to homes and have invaded the field for the innumerable small parts in appliances.

Finally, foreign competition has made itself felt, with newer plants and cheaper labor concentrating on the biggest and most rewarding product lines.



Case Book No. 1 - September 1963

## A FOUR-TOWN REDEVELOPMENT AREA

in

## SOUTHWESTERN CONNECTICUT

composed of the towns of

## ANSONIA, DERBY, OXFORD, and SEYMOUR

ARA Contract Cc-5921

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This report discusses the area's employment trends and potentials in relation to manufacturing, tourism and research; the role of government and private business; and an overall development theme.

The effect on the Gateway Region was overpowering. Employment in the two Ansonia mills of Anaconda American Brass Company dropped in ten years from 4,500 to 1,500. Another 500 jobs were wiped out by three smaller firms in the brass industry during the same period.

### **Management difficulties**

All old industrial districts have the problem of the changes that take place in management and ownership as one generation gives way to the next. The Gateway Region was unfortunate in having rather more than a usual share of these changes taking place at a time when its major brass industry was under serious pressure for other reasons.

One brass company, protected by its high degree of specialization from the unfavorable market influences just noted, nevertheless went through a management change that cut its former employment of around 500 by nearly 40 per cent. A substantial sheet steel stamping shop saw its employment drop from nearly 500 to below 50 while management was reorganized. A screw machine shop dropped from 200 to 100 employees before a new ownership was found. A plant making elastic webbing operated irregularly until new management took over. A nationally known maker of a stationery item reduced employment from more than 400 to less than 100 before a purchaser of the business took over.

### **Lack of easily developed industrial land**

The lack of sites in the Gateway Region is notorious. Sites on the valley floor are subject to flood. Most of them are already occupied. Sites on the hilltops are not common, nor are they easily accessible. They have little water and no rail. It is impossible, or so it has seemed, to put any more plants in the region. At any rate, only one site in the region is ready for immediate industrial occupancy, and that site has less than four acres. The few industrial buildings available are antiquated.

How many jobs this situation has cost the Gateway Region it would be impossible to estimate, but the number must run into the many hundreds, quite likely into the thousands. The situation is so well known that manufacturers looking for a place to expand are steered away from the region without even looking at it. Those who do look see nothing they can use. The evidence of the loss that is being incurred lies all around the region in the new plants that have been located in recent years: Eberhard Faber in Danbury, Kimberly-Clark in New Milford, Sikorsky in Stratford, United Aircraft in North Haven, and so on and on.

## **A FOUR-TOWN REDEVELOPMENT AREA**

### **Moves from the area**

There was only one big move out of the area and that was about 15 years ago. A velvet manufacturing plant employing 3,000 people, closed and moved to the South. The site of the plant was in Shelton, not now technically regarded as a part of the Ansonia-Derby labor market area.

The move of Ansonia Wire & Cable, in 1957, caused quite a stir. The company was well liked and had many stockholders among the local people. It employed about 250. Its quarters were in an ancient mill building and it could get nothing adequate elsewhere in the area. So it took an offer by the Rhode Island Development Commission to build an entirely new plant to house it. The move can probably be ascribed to lack of community readiness to help with a site and a new building.

### **TRENDS TOWARD MORE UNEMPLOYMENT**

It is difficult to see any soft spots in industry in the Gateway Region today. All the situations that have accounted for decreased employment are on the mend. Even the plant that dropped from 500 to less than 50 has added 15 employees recently and has further prospects.

The specialty brass manufacturer is back to former employment levels, and half a million dollars is being invested in the plant. The research department of the company that bought the concern is being moved into the Gateway Region. The plant making stationery goods is employing close to 200 and running some overtime. The big machine shop is getting back to 150 employees and growing further. A large sponge rubber plant in Shelton, with some operations in Derby, is stable from year to year, with seasonal fluctuations that can be ascribed to the automobile and furniture manufacturing and selling seasons. Two additions recently have been made to this plant; one of them is just being completed. A big heavy machine manufacturer in Derby and Ansonia keeps employment steady and has invested substantially in plant. The large research and engineering department of this manufacturer is active and productive.

The outlook for two mills of Anaconda American Brass is better than it has been for many years. The company has made a considerable investment in modernizing these plants. Still more important is the fact that in the larger of the two mills there is now concentrated much of the company's production of specialty goods with high requirements for engineering and research controls. Thus, this big Ansonia plant is not in competition



with other plants in the company's nationwide system; and more skilled engineering personnel are moving into the Gateway Region. Moreover, the competitive outlook for copper and brass is no longer one of unrelieved gloom. Electrical goods are consistently growing faster than the economy as a whole and copper is indispensable to them. The new research department of the company in Waterbury is in the process of discovering new ways of treating copper and its alloys. As these discoveries move into production much of the production is likely to be assigned to the Ansonia plant because of its ability to handle specialized products.

So the trends toward more unemployment in the Gateway Region have been reversed. Manufacturing employment, which dropped steadily from 1954 through 1958 and then levelled off, is now beginning to climb. The official figures tell one aspect of the story.

#### *Gateway Region Employment*

*June 1961    June 1962*

Employment	11,700	11,900
Unemployment	1,800	1,400
Labor Force	13,500	13,300
Per Cent Unemployed	13%	9½%

The decline in the labor force in the area is probably accounted for by an increase in jobs held outside of the area. Connecticut, more than any State, shows a complex pattern of cross-commuting to work. More than a third of the labor force resident in the Gateway Region works outside of the area.

The recovery of the Gateway Region is, however, in no danger of running out of steam for want of good labor. Those working "abroad" can work at home. And there is plenty of room for new families.

## TRENDS TOWARD MORE EMPLOYMENT

### **Further growth of present industries**

The trends noted should continue, provided that the economy of the country does not fall much below its activity range of the last ten years. The Big Three manufacturing employers of the area—makers of sponge rubber, heavy machinery, and brass—are all possible contributors to further employment; but it is not likely that the first two will expand greatly in employment although they may expand in volume. The sponge rubber plant is the largest in the country and the only such plant operated by its owner, one of Akron's major companies. Further expansion could take place elsewhere in the country, as it has in tires, although no plans for such decentralization have been re-

ported. The heavy machinery maker is expanding sales abroad, but is doing so by setting up plants abroad or by licensing. For the time being this means more shipments from the home plants, but the continuation of such activity cannot be counted on. However, any slack may be replaced by new products.

Employment at the brass company could very well expand, perhaps substantially over a period of years. This is not an immediate prospect, but production that may be assigned to the mill may lead it at some point to make use of the site it has been building up just across the river from its present buildings.

Several middle-sized firms in the area have shown a good growth record and may be counted on to continue their growth. One of these makes an inexpensive metal toiletry article that has the distinction of selling well in Japan as an import. This firm has risen from 10 employees to 170 in 15 years. Another, making small rubber specialties in common use (elastic bands, for example), has reached an employment of 150 in the same period. Its plans could double that employment in five years more, if it can get the necessary working capital. A company making insulated copper cable has reached an employment of 450 and is expanding its plant again. The new owner of the elastic tape plant is expanding capacity and believes that ultimately employment can be increased by 100 people, again provided the necessary capital is available. A company making large dispensers of adhesive tape for use in shipping rooms is now owned by a leading midwestern manufacturer of tapes. Expansion of this operation would seem to be likely.

Quite a few smaller firms show promise:

- One of these makes highly complex electronic products for such exacting customers as the Bureau of Standards, the Yale Physics Laboratory, Atomic Energy Commission, R.C.A., and United Aircraft. This firm has under development an alternating current electric motor that can maintain a constant speed under a varying load, and can operate at speeds programmed from tape or by feedback.

- Another firm is a machine designer with occasional helpers. He invents machines to order to perform difficult jobs.

- One firm was founded by one of the pioneers of die casting and is now operated by his two sons, who plan to double employment.

- Another company designs, builds, and also operates machines for making plastic products molded by compressed air.

- A business that builds machinery on order has not solicited any business for five years and yet keeps men working overtime and gets in special crews on weekends.

- A junk dealer who turned attention to sponge rubber seconds has built a fast-turning business in cut-to-order sponge rubber parts, in molded bathmats of colored rubber, and in other rubber specialties. He conducts this business in three locations, one of them a four-story apple barn (for sponge rubber storage).

- An electric motor repairman now has a large motor repair, rebuilding, and maintenance business, including maintenance of large motors where they stand in the customer's plant. He could expand employment in a better location.

- A one-man machine shop, so deep in the country away from three-phase service that most machines are run by belt from a Model A four cylinder engine, is looking for products that will lead to expansion.

- A salesman of variety store and hardware items—one of the very few proprietors in the area oriented toward consumer markets—has developed a successful line of doorstops and other ingenious hardware items for over-the-counter sale, and has as well a novel file with replaceable blades that can account for large savings in production and repair work.

Every one of these firms is ripe for expansion. And they are by no means all of the firms of this sort that now exist in the area. More space or working capital would help solve their problems.

### The move beyond the suburbs

Industries began in cities and some have built cities around themselves. But the trend in recent years, stimulated by the automobile and accelerated by new highways, has induced industry to locate well outside of the cities and to draw their labor from all directions.

A familiar example of this trend is the IBM plant built in Poughkeepsie, New York, right after World War II. The old plant at Endicott was not near enough to headquarters for convenient access by management and technical staff men. But Poughkeepsie was far enough away to give labor and plant management the low costs and pleasant choices of life in the country beyond the high costs and high pressures of the suburbs. This pattern can be observed all around New York City, with the Johnson & Johnson and Bakelite plants and many others in New Jersey, the aircraft plants and atomic laboratories on Long Island, and more especially the great scattering of plants in southwestern Connecticut. The outer rim of the New York suburbs lies just south of Danbury and west of Fairfield, including ten of the twenty-two towns in Fairfield County. Some of the earlier plants lie within this rim,

but most are beyond it and still more of those recently established. There is a cluster of new plants at Danbury, another at New Milford. Sikorsky has a huge plant in Stratford on the west bank of the Housatonic estuary. United Aircraft has also reached out from East Hartford to North Haven. The Gateway Region is between the industrial expansion drives from New York and Hartford.

### New express highways

The highways that are accelerating this trend of industry beyond the suburbs deserve a word to themselves. For the combination of them in Connecticut, and especially in relation to the Gateway Region, is as favorable to further growth as it is in any place in the country.

Route 8 runs up the Naugatuck Valley, linking its towns and cities more closely than ever, and runs south from the Gateway to Bridgeport. The Connecticut Turnpike, linking to the new Throg's Neck Bridge for quick access to Idlewild International Airport on Long Island, comes close to the Wilbur Cross Parkway in Milford. This leads soon to the New Haven and Derby Turnpike, whisking the driver into Derby and Route 8. Route 34 hugs the northeast bank of the Housatonic for a few miles and then crosses it to go on to Sandy Hook and Newtown and Danbury. This is a secondary highway, as is Route 67, which parallels the northeast bank of the Housatonic, at a respectful distance, from New Milford through Southbury, Oxford, and Seymour, and on to New Haven. The newest of the big roads is still under construction. It is Interstate 84, coming from Waterbury and touching the northern tip of Oxford and going on to Danbury, Brewster (New York), Beacon, and Newburgh (via a new Hudson River bridge) to join the New York Thruway. This road thus makes part of an outer belt line around New York City and outside of its suburbs.

Interestingly enough, Interstate 84 follows for much of its route the line of the important Maybrook Division of the New Haven Railroad, a heavy duty line that runs through Derby to Danbury, throws a spur to Beacon and crosses the Hudson on the old high railroad bridge at Poughkeepsie to join a group of the western lines at an interchange yard back of Newburgh. This has long been the railroad backdoor to Southern New England, well south of Albany and well clear of New York.

### The Yankee industrial tradition

The strip of territory running north from Bridgeport and New Haven to Waterbury, New Britain, and Hartford and containing more than a dozen other cities and towns holds a



key place in the industrial history of the world's greatest industrial nation. Brass was domesticated here. The machine tool was developed here. Most of modern mass production can trace its ancestry readily to these small valleys and compact little cities.

The American Brass Company goes back to 1812, and so is celebrating this year its 150th anniversary. Chauncey Jerome, an early maker and peddler of clocks, hit on the idea of stamping out brass parts from the sheets that came from the mill instead of laboriously cutting them out one by one and filing them to dimension. Metal stamping from dies made Connecticut clocks so cheap that they were sold all over the young Republic and shipped in great quantities to England and Europe.

The story of Eli Whitney is even more familiar. He developed a machine tool to bore accurate barrels for Army muskets, as well as other machines to make precise, uniform, and hence interchangeable parts. His musket was cheaper and lighter than its British counterpart and could shoot more than twice as far with deadly effect. From this development came the Winchester, Colt, and Remington companies. Later came the making of automobiles, and most recently the making of aircraft engines.

The men who develop and operate the modern machines that go back to these beginnings may more properly be compared to medieval guildsmen than to "semi-skilled" production line workers. They are virtuosos of the machine. They know how to set it up for a wide variety of jobs. They know how to make it do tricks.

Such men are individualists. They can work with others. They can work in large factories. But they must have the freedom in their work that a master craftsman deserves. For this reason they often prefer to work in small shops, making parts or machines to order for the larger firms. The Naugatuck Valley is full of such shops.

The men who run these shops and work in them come from a wide range of racial and cultural backgrounds; however, they consider themselves Connecticut Yankees and are worthy heirs to a great tradition.

The tradition is a powerful one and as lively today as it ever was. The essence of the tradition is a dedication to building devices that will at once improve the quality of end products and cut their costs.

## PRESENT OUTLOOK FOR EMPLOYMENT

Relative to most other redevelopment areas and even to the country as a whole, the outlook for more employment in the Gateway Region

is good and should remain good. But employment in the Gateway Region is not satisfactory now. The arrival of a satisfactory level of employment is a matter of time. That time can be greatly shortened if vigorous local action is taken. Merely the provision of a few sites could open the area up for some of the firms that are ready to expand locally or to move in from the outside. If this were done, satisfactory levels of employment might be achieved soon.

The situation presents a challenge to State and local action and especially to the initiative of local businessmen that will be well worth the while of those who take it up. For the results should be relatively easy to achieve and quick to arrive.

## EMPLOYMENT POTENTIAL

### Manufacturing

*Scarce sites*—The land surface of Connecticut is a terminal moraine of an Ice Age glacial sheet. The glacier was present in recent geological time. It withdrew in haste, leaving behind it a mess of half digested hills of exposed bedrock, of boulders of all shapes and sizes, and of assorted masses of gravel, some of it in beds, some of it in ridges, and some of it standing on end in little sugarloaf mountains. There has not been enough time since for the trees and ferns and grasses and the rain to lay down much that could be called soil. Trees have for the most part covered the rocks and boulders, grass has grown on the gravel, and streams follow the courses cut by the glacier. Where the streams have laid down silt or where silt has accumulated on relatively flat uplands, farming is possible. Elsewhere a man is lucky if he finds gravel.

The effect of this country on the eye is nevertheless attractive. The country is parklike, with many hills and valleys and innumerable surprising views. There is no danger of suburban uniformity, as on the prairie south of Chicago or on the potato fields of Long Island. A ubiquitous greenbelt imposes itself without need of zoning. Human occupancy is taken up into towns and villages and smaller residential clusters. The country is too rough for any other form of development.

The lower valleys of the Housatonic and the Naugatuck Rivers are among the roughest parts of all this rough country. The banks of the Housatonic between Derby and New Milford are so steep and so rugged that there is not even a village of any size right on the river. The banks of the Naugatuck are in most parts a little further back from the channel, but they hem in a narrow flood plain

that the river can fill disastrously, as it last did in 1955.

The town of Derby is a strip of land lying along the east bank of the Housatonic at the point where its southeast course turns southwestward to empty into Long Island Sound. Midway along this strip the Naugatuck, coming straight from the north, crosses Derby to empty into the Housatonic. Above this junction, the downtown section of Derby climbs a hill with a flank facing each river. The Naugatuck also divides Ansonia, just upriver from Derby and with residential areas interlocking. But the business district of Ansonia is on the east bank of the river. A couple of miles further up the river the business district of Seymour is also on the east bank, but the major portion of the town's area is to the west and reaches over to the Housatonic. Oxford also borders the Housatonic and its southernmost point is less than a mile from downtown Seymour. Formerly Oxford also bordered the Naugatuck above Seymour.

This is the Gateway to the Naugatuck Valley; well named, because above Seymour the river comes through a long narrow gorge which separates the Gateway from the Middle Naugatuck and its center at Waterbury. These four towns along with Shelton, just across the Housatonic from Derby, might also be called the Gateway to the Housatonic Valley except that until recently, the area beyond this other Gateway has been relatively empty.

The confluence of the two rivers increases the flood hazard, but not by a great deal, for the Housatonic has a steadier flow and is better controlled by dams. But the water hazard is increased by the fact that Derby is at the head of tidewater. Its first settled portion was on the eastern side of the mouth of the Naugatuck and was a small port town, also engaged in shipbuilding. The only relic of these days is the tide that laps Derby on both sides and sometimes backs up the Naugatuck to Ansonia. The frequency of an unfavorable combination of river and tide is given as the reason why the occupants of a plant next to the river in the part of Ansonia nearest to the river's mouth moved across the way to Shelton.

In any event, the river sites are few. They are now safer than they have ever been, thanks to a new dam upstream and three more scheduled to be built. In addition, the passage of the river through Ansonia will be protected by further dikes. Much low land between the two rivers at the point of Derby might be reclaimed by further flood protection. But the cost of doing so might be regarded as too high.

A further difficulty with valley sites is the demand for such land by operators of com-

mercial properties who want flat land with plenty of parking space and want it right off Route 8 that runs along the river. On Route 8 just north of downtown Derby a large site now gives huge parking space to a Stop & Shop supermarket, a Woolworth store, and an immense Bradlee's discount store. This combination is estimated to do a substantial proportion of all Derby's retail sales. Such commercial ventures can easily outbid industry for land.

A further difficulty lies in the size of the towns in the Gateway Region. Derby is the smallest town in Connecticut, within an area of only 5.2 square miles. A substantial chunk of Derby, made up of several old farms in its western hills, has been deeded to the State for a State Park. Ansonia is scarcely any bigger, 6.0 square miles, second smallest town in area in Connecticut, and with a considerably larger population than Derby. Seymour, with 14.4 square miles, is just half the size of the average Connecticut town with 29 square miles. Oxford, with 32.4 square miles, has some space. What is more, a portion of it is relatively level. Most of this land lies near the Southbury border on either side of Route 67 and near the route soon to be taken by Interstate 84.

There are also site possibilities in Seymour, in Ansonia, and even in Derby. North of Seymour's business district a large gravel pit just off Route 8 could give space to one or more plants. There is more open land above and behind this pit. On top of the hill marking Ansonia's western border is an inactive airport for light planes next to an occupied Nike site. Beyond the Nike site to the north is some open and relatively level farmland. Residential land near the airport might make zoning difficulties. Similar land lies atop the same hill across the town line in Derby. Best truck access to both sites is from Woodbridge.

This review makes clear that, despite all the formidable difficulties, there are quite a few sites in the Gateway Region that could be developed satisfactorily for industry at a reasonable expense. None of them are ready for occupancy now. Few of them, if any, are zoned for industry. Few have water laid on, fewer still have sewage lines. Some have no proper road access. None were under option when these lines were written. But the sites are there, and there is a recognition locally that something should be done about them soon.

*Present demand for sites and buildings*—At least seven firms in the Gateway Region are in the market for new factory space on a new site. Some of them need the space at once; all need it within two years at the most. The total factory space called for is in excess of one hundred thousand square feet. The new jobs



created would be in excess of two hundred. The limited space now offered is either unsuitable or is priced too high to be interesting.

This immediate, on-the-spot, tangible demand makes the development of new sites imperative. Urban renewal will produce one small industrial site within six months. The two smallest among the firms needing space have spoken for this site and have plans and estimates for its use. No further land for industrial use can be expected from urban renewal for a year at the least. Therefore, one or more of the sites reviewed in the preceding section may be selected for development.

The need is made all the more urgent by the pressure of firms from outside the region looking for locations within the region. This pressure has not been directly felt in the Gateway Region, because most of those looking for sites in southwestern Connecticut have not even put in an appearance. They were warned off by advisers familiar with site availability in the region and have left no public record of their interest. One desirable prospect is known to have wanted to locate in Ansonia but to have decided against it because of the shortage of housing for executive and professional staff.

Another prospect, a current one as this report is being written, disregarded the advice of several men he consulted on location and insisted on trying to find a site in the Gateway Region, because it was the nearest Redevelopment Area east of New York City. He had two reasons for wanting to locate an expansion of his operations in a Redevelopment Area: 1) he would be in a better position to do business with the procurement agencies of the Federal Government with whom he already deals; 2) he would get his plant financed on favorable terms.

Whether or not this prospect will find what he wants in the Gateway Region at the present time is still a question at this writing, for, like many who are forced to expand, he is in a hurry now that he has made up his mind.

*How and when new jobs may come*—The picture already drawn of manufacturing in the Gateway Region and in the areas surrounding it gives an idea of the strong job potential in the area.

• In the next two years the jobs that will probably be added by local firms range from a total of 300 to a total of 500. (In the past year alone—June '61-'62—nearly 300 jobs added in primary and fabricated metals. These were offset by the loss of more than 100 jobs in other industries. But other industries have not much more to lose. They account for only 25 per cent of manufacturing employment in the area and most of them seem in good health.)

• In the next five years 500 to 900 jobs will probably be added by local industry.

• In the next ten years the jobs added by local industry could well exceed 2,000.

• Most of these gains in the early years will depend upon the availability of sites.

• Most of these gains in the later years will depend more upon the impact of research and of technological development.

• Jobs added by outside industry moving in could well exceed 700 in the next two years, 1,500 in the next five years, and 3,000 in the next ten years. These jobs will depend almost entirely on the availability of sites.

• Beyond a period of ten years most new industrial jobs will depend upon technological developments made within the Gateway Region.

This forecast differs markedly from that made at the end of 1956 by Drs. Miller and Sirkin of the Department of Economics of Yale University. They took the years 1947-55 as a base and foresaw very little growth for the Naugatuck Valley up to the year 1975. The present more optimistic forecast takes into account many things that have happened since 1955, but relies especially on the effect of two forces that can scarcely be taken into account in any projection that is purely statistical in character. These forces are: 1) the closeness of the region to New York City and to Hartford and to other job-generating centers; 2) the Yankee knack for machinery.

The figures arrived at by giving effect to these forces and to conditions observed in the Gateway Region are not truly comparable to the figures reached by the Yale economists. Their figures were flat forecasts, while the figures given here are estimates of potential rather than predictions of what is almost certain to occur.

#### **Tourism, recreation, and residence**

The Housatonic Valley is steep-sided from the river's estuary to just below New Milford. Here the valley widens out for a few miles then closes in again, widens for a moment at Kent, and above is virtually a gorge until its headwaters are reached around Canaan. No wonder that the early settlers who struggled up the valley called the broad acres they found at its source by the Biblical name of the land of milk and honey.

At Derby the river at least was tamed in the 1870's. A dam giving water power both to Derby and Shelton backed up a pool six miles in length. Here boathouses sprouted on the shore. The Yale crew came to practice. Finally summer bungalows are giving way to year around houses.

Meantime a hydro-electric dam was built at

the upper end of the long lake above Derby. The water behind it backed up for twelve miles and took the name of Lake Zoar. Within the last few years a third dam has gone in above that, and water is backed up to New Milford. So it is now possible for an enthusiastic water skier to skim more than thirty miles upriver and make only two short portages.

It is quite possible that this stretch of still-water, sheltered from big winds by the high banks and clean as only a river with no cities on it can be, is the longest stretch of swimmable, boatable, protected water in the north-east. Be that as it may, the chain of three Housatonic lakes is a unique resource, lying where it does near large urban populations.

Surprisingly, it does not seem to have been discovered yet by very many people. It is not easy to reach. Small country roads wind down to dead ends at its shores. No big road runs along it. Route 34 crosses it on top of the hydro-electric dam at Lake Zoar. Interstate 84 soars over the lake on a high bridge a few miles further up. But boathouses and bungalows are beginning to cluster in its many coves and year around houses are proliferating in the towns two or three miles back from the river. These are not suburbs in the usual sense. Most are too far from New York for daily commuting by all but the hardest. Rather they house the crisscross commuters so common in Connecticut, the men with the jobs in Danbury, Waterbury, Derby, Ansonia and even some with jobs in New Haven and Bridgeport.

Construction work in the Gateway Region has gone up, but whether it can be credited to the activity up the Housatonic is not known. The Gateway has the largest resources closest to much of the area under development but Danbury is closer to the upper part of the area, and Waterbury can put in more of a claim when Interstate 84 is completed.

The job potential for the Gateway Region represented by the new Housatonic area is difficult to estimate, but surely, taking construction, services, and merchandising together, the potential over the next five years should run to several hundred jobs at the least.

### Research

Most communities would dearly like to have research laboratories in their midst, but few qualify. There are two qualifications that must be met. One is proximity to a first class university, primarily so that researchers can continue their academic studies. The other is a wide range of residential choices so that laboratory personnel will not have the feeling of living in a compound and can choose their own company.

Stamford, Connecticut, qualified on both these grounds. It was near to the New York universities and equally near to Yale. It offered the wide variety of residential communities to be found in Westchester and Fairfield Counties, and even in New York City itself, for personnel could commute out to Stamford to work.

Few could have predicted this result; for research itself was only beginning to grow as a general industrial activity and its locational needs had not yet become clear. Stamford helped to clarify the pattern. Now that the pattern is known, it is evident that the Gateway Region can reasonably aspire to attract some research establishments.

Yale University is a major attraction. Its Physics Department is one of the most advanced. A research laboratory site on the hill-top in the east of Ansonia or Derby would border a suburb of New Haven. A site on Great Hill in Seymour could give a view of the Housatonic right below and of the Sound over the hills beyond Stratford. A site on Quaker Farms Road in Oxford could offer a vista down a high, sheltered valley filled with fields, brooks, and dairy herds.

There is another quality in the Gateway Region that has not been stressed in discussions of laboratory location but that might have an important influence. This is the Yankee tradition of mechanical ingenuity and skill already discussed and illustrated. Although research is usually undertaken at some distance from large scale and established production operations, there is a renewed tendency these days for basic research to seek inspiration by direct contact with the more advanced and puzzling operational problems.

For all these reasons research laboratory employment is a potential of the Gateway Region and it should be deliberately sought.

## THE ROLE OF GOVERNMENT

### Parking

Parking is a problem in every city in the United States. It is more of a problem in the older and the larger cities. It is an excruciating problem in cities that are jammed into narrow valleys as the cities of the Gateway Region are.

The importance of the parking problem here relates to the employment potential in merchandising and in such of the services as are rendered in downtown establishments. If people cannot get into one town, they can, in this crowded territory, easily go on to the next one. Competition for the shopper is fierce in this area. More than a million square feet of shopping space have been built around New



Haven in the last three or four years. Old shopping centers have been expanded. New shopping centers have been started.

Oxford, with very little merchandising except for local convenience, is well provided with parking space. Seymour has made space for itself and may make more. Ansonia is well along in an ambitious program of providing parking and of opening up new cross streets to permit better circulation of autos in the long, narrow downtown section. But Derby is bedeviled by a Main Street curving around the irregular lower slopes of a hill and by a main shopping street climbing uphill from Main. The severe limitations to access and parking here seriously impair Derby's opportunity to take advantage of the new business being generated up the Housatonic River. A thorough study is now being made of this situation for a redevelopment plan.

### Zoning

Zoning for industry in the four towns is virtually limited to existing establishments. Oxford shows one small blob of industrial zoning in its northwest corner, far out in the wooded hills. This is to take care of the one-man machine shop run by a Model A motor, mentioned earlier in this report. There is no industrial zoning on any of the hilltop sites noted previously. At the Ansonia airstrip such zoning may be difficult to get, even though the strip is next to a Nike site. Houses are on the other side and there might be objections.

In spite of several site studies made since the 1955 floods, no action has yet been taken to reserve likely sites for industry, to zone *against* residential, commercial and other uses.

### Water

Enough water for household purposes and for a limited amount of cleaning and cooling is available at all the sites mentioned earlier. On the hilltop at Ansonia city water is available. In the upper part of Oxford wells would have to be drilled and pumps installed to provide water for factories.

Just before the last hilltop to the east of Ansonia is reached there is a high valley containing a series of reservoirs. In upper Oxford there are large brooks and there appear to be many springs. Along the Naugatuck on the north side of Seymour and beyond, water can be obtained from the gravel below the river bed. Presumably this water has been traveling below the surface long enough to have become filtered into an acceptable condition.

Water resources at potential sites other than those mentioned should be carefully investigated if any use is to be made of the sites. It

is quite possible to drill a dry hole in bedrock almost anywhere in the area, or to drill a deep hole for a small yield.

### Sewage

Sewage disposal is an urgent problem in the Gateway Region. What's more, the unsolved sewage problems of the communities on the Naugatuck above the region have an unfortunate effect on the region itself. Except in the early Spring and after storms, the river winds among the small stones in its bed, achieving a maximum of evaporation. The smell produced on summer days in the narrow gorge between Beacon Falls and Naugatuck is often notable.

The people of the Gateway Region should urge the State to have the upriver communities meet the standards now required for industrial and general effluents. But at the same time they must hasten to put their own houses in order. Not one of the three Naugatuck River towns in the Gateway Region has a sewage treatment plant. The installation of such plants with the Federal aid that is available will do much to improve the acceptability of these communities to industry contemplating moving in.

The sewage treatment plants as planned will take up valley land in the flood plain that might otherwise be used for industry. Nevertheless, sewage treatment needs should take precedence. The site planned for sewage treatment in Derby, at the low point where the Naugatuck flows into the Housatonic, would have to be protected from flood and tide. This protection might well provide the decisive segment in a protective wall that would supply industrial sites and parking room for downtown Derby.

Hilltop sites and sites in upper Oxford do not have sewage lines nearby. Disposal of effluent must be by septic tank or some other acceptable private system, and so must enter into any calculations related to these sites.

### Floods

Since the disastrous flood of 1955 a dam has been built upriver at Thomaston above Waterbury, and three other dams have been scheduled for construction. Work has been done on the embankments at Ansonia. The completion of this work has been approved and the money for it appropriated.

Some people locally now speak of the towns as being safe from floods. They are certainly better protected than they were, and they will be in still better shape fairly soon. But there are still low spots that may suffer damage if another flood should come, and there is filled land in the riverbottom that might be used either for stores or for factories if protection were fairly well assured. Especially there is a

fairly large amount of land, 25 acres or more, between the two rivers in Derby, that could be most useful if protected.

### Roads

The main modern highways in the region, as already noted, are first class. The State roads, primarily Routes 34 and 67 are good. The roads tributary to them are good for passenger cars and light trucks, but would often present serious problems to trailer trucks, especially in wintertime.

Industrial locations in upland sites will, therefore, have a road access problem in addition to their other problems. If much use is to be made of Route 67, for example, by trailer truck serving industry, that road, which rises along a gentle grade from the Seymour line to the Southbury line at the northwest, might benefit by being widened, in order that lighter vehicles may easily pass heavy trucks climbing the road along an extra righthand lane. If use were made of hilltop sites in the eastern parts of Ansonia and Derby, the same need might arise along the roads to New Haven or down to the Derby Turnpike. Access from the western slope might prove to be too steep.

Sites lying off Route 67 in upper Oxford would almost certainly need either new roads to serve them or substantial widening of present town roads.

## ROLE OF PRIVATE BUSINESS

### Organization

On August 31, 1961, the Gateway Regional Development and Industrial Commission was named by the chief executives of Ansonia, Derby, Oxford, and Seymour as the official redevelopment group for these four towns, which together constituted the Ansonia labor market area and were together recognized as a Redevelopment Area. From each of the towns seven Commission members were appointed, together with a chairman for the delegation from that town. Most of the members of the Commission are in business in the area.

At a meeting of the Commission held on May 3, 1962, the Commission was organized to develop a balanced program as a basis for action. Mayor Doyle of Ansonia was elected President of the Commission, along with a First Vice President, a Second Vice President, and a Secretary, these officers constituting, in effect, an executive committee. Special committees were appointed for finance, for present industries, for sites, for new industries, and for public relations.

Finally, at a meeting held on July 25, 1962,

## A FOUR-TOWN REDEVELOPMENT AREA

the Commission took steps to organize for action through a resolution authorizing the drafting of a charter for an industrial development foundation capable of accepting and disbursing funds. At the same time the finance committee was authorized to proceed further in ascertaining what funds might be subscribed from what sources as soon as a satisfactory charter for an industrial foundation was approved and issued.

### Funds

An initial fund raising objective of \$25,000 has been tentatively accepted, to be used entirely to provide the 10 per cent community participation required to secure ARA financing of factory land and buildings. On this basis a fund of \$25,000 should provide \$250,000 worth of land and buildings; which in turn might represent about 50,000 square feet of working space under cover; and might provide space for anywhere from 100 to 300 jobs, depending upon the type of industry occupying the space. The resulting payrolls could range from \$400,000 to \$1,500,000 a year. Each of these industrial jobs would create indirect jobs in the services and merchandising fields. The "multiplier effect" of the new money in the community would tend to raise total business receipts in a range at least from \$1,000,000 a year to \$3,750,000 a year.

Let us conclude then that a subscription of \$25,000 could generate annual business at an average rate of \$2,500,000. Thus an individual subscription of a thousand dollars could generate annual business of a hundred thousand dollars, a subscription of five hundred dollars could generate business every year of fifty thousand dollars, and so on. That is why money put into industrial development has been said to be the best investment that local businessmen can possibly make, and why so many seemingly poor communities have come up with substantial sums for this purpose.

### Present industries

An old and well established industrial area such as the Gateway Region almost always has great possibilities of growth within itself. Chicago has not stopped growing, although wheat isn't what it used to be, nor are hogs, nor is steel. New England, the first industrial area in this hemisphere, has not stopped growing; nor has Great Britain, the first industrial area of all.

There are few figures to demonstrate the importance to growth of an existing industrial complex versus imported industry. Most of what we have heard about industrial development has dealt with the South and with the arrival there of big branch plants from the



North. But a study conducted under the auspices of the Metropolitan Life Insurance Company in 1927 showed that almost three quarters of all new plants in the preceding year in this country had been newly organized companies as against branch plants. While these newly organized plants were, of course, smaller than the new branch plants, they still accounted for well over half of all the employment in new plants in the course of that year.

The resilience and comeback of the Gateway industries have already been noted, along with the signs of budding new industry. The fostering of the health of all these native industries, new and old, large and small, is not only the first concern of the local businessmen, it may well bring them their largest reward.

To begin with they have seven existing local industries looking for sites and new buildings. All of these moves would add to local employment. But there are matters other than housing that would be helpful to many more of these industries, that would assist their growth and stimulate their further investment in the area. These matters range from tax equalization to labor training. On many of them the community industrial development organization may be able to extend a decisive helping hand.

### Sites

The Gateway Commission can do more than identify and list possible industrial sites. It can select the most promising sites and get careful estimates on the cost of acquiring and improving them. To do this professional help may be engaged. Their engagement could be made the subject of an application for an ARA grant. Later it might be possible to apply to ARA for help in improving one or more of these sites.

### New industries

Most communities in search of new plants for industries that are expanding send out skillful and determined industrial sleuths to track down those industries on their home territory. Connecticut, almost alone among the States, has never had to undertake this rigorous roadwork. The industrial salesman for a Connecticut community simply consults an industrial directory and puts in a call to New York City. There he reaches an office of a company he expects may expand and sounds out the situation. If it is promising, he may make a trip in to New York, no great hardship. More often he can persuade the industrialist to enjoy a visit to the leafy hills of Connecticut to look over the possibilities.

Because of this almost unique advantage (New Jersey is the only other State that has

the same pointblank shot at the national business capital), Connecticut does not find industrial prospecting the serious professional and budgetary problem it is in other parts of the country. Yet the prospecting, though relatively easy, cannot be neglected.

Just the same, some reliance can be placed on those who are already prospecting for the State: the staffs of the utilities and of the State Development Commission. But the members of the Gateway Commission must recognize that they will get help from these sources only to the extent that they make it easy for the help to be given. They must have sites to offer. They must have financing for sites and buildings. And they must know specific answers to all likely questions about the costs of sites and buildings and the costs of labor and of housing and of living in their area.

### Projects

The members of the Gateway Commission are, as this is being written, deliberating on the projects that they may select for the first stages of their development program. They have a considerable background of discussion and information on this subject. Without any desire to anticipate their conclusions or to disagree with them, the writer of this report will set down here the projects to which he would tend to give priority. It is likely that all or most of these will appear on the Gateway list, even if not with the same emphasis or definition.

*Industrial Development Foundation*—This has already been decided upon. The only remaining questions concerning it are technical, having to do with its structure. The writer prefers the non-profit form to the profit form, because it requires less bookkeeping, because it makes its objective clearer (large indirect benefits rather than small direct benefits), and because, for these and other reasons, it is usually easier to sell to the business community. However, Connecticut communities have so far overwhelmingly favored the profit form for a foundation of this kind.

*Fund of \$25,000*—There is a question whether funds should be earmarked for use in a certain community or for use in any community in the area in which there is a call for industrial land and building. Sentiment has been strong, but not unmixed with reservations, for a general fund without restrictions. This would be easiest to administer, but might not be easiest to collect. Perhaps a reserve of a certain per cent of a subscription for use in one of the four communities might be permitted to any subscriber who wished to make that stipulation. The need for



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this provision can be determined fairly early in the canvass for funds.

*Expansion of two local industries*—Two local industries who together can add about 30 jobs (or about \$400,000 a year in gross local business turnover) have plans for a two-in-one building on a strip of redevelopment land that will become available before the end of the year. The investment by the industrial foundation in this project may come to \$6,000 or a little more.

*Industrial parks*—Plans and careful cost estimates should be made for one or more industrial parks on land that might be acquired. Any proposed industrial park should have in excess of ten acres of usable land and preferably in excess of twenty acres. Studies of these industrial parks might be the subject of an application to ARA for a grant to cover study costs, and the studies might lead to applications for financing of land acquisition and improvement.

It is possible as a result that new ventures will be formed or that present ventures may be expanded and that these developments will require equity capital. In this event some members of the Gateway Commission might seek the needed capital either from individuals, or Small Business Investment Corporations.

## OVERALL DEVELOPMENT THEME

To generate the interest that will get an economic development campaign going and keep it going, a timely inspiring, and suitable theme must be agreed upon and continually emphasized. It is scarcely inspiring to remark: "We seem to have fallen behind a little, but things aren't so bad and they may mend of themselves; in any case we will catch up in the course of time." Something much more positive than that is called for: not a mere catching up, but a taking advantage of the special resources of the area to make a place for it near the head of the industrial and community procession.

What are those special resources? They are, in one word, resourcefulness itself: the habit of mind that we have called earlier the Yankee tradition. An early historian of Waterbury, referring to the whole valley of which it is the chief city, wrote: "The remarkable industrial achievements of Waterbury may be ascribed directly to the poorness of the soil around it." Which is to say that there was not much of a living to be had from farming, the only kind of a living most people knew how to get in those days; so they had to turn their minds to manufacturing, they had to be resourceful. And indeed they were.

This call for resourcefulness is again at the door of these communities. Their chief industry—brass—had fallen behind the procession. But now it has started to work its way up to the front again. It is investing in research and in improvements of all kinds.

Similarly, civic awareness had fallen a little behind the procession. The people of the Gateway Region had hardly realized how much had been happening right around them: in highways, in shopping centers, in residential building, in new and advanced industries. They had not geared their communities to the new pace. But a few years ago they began by opening up streets and parking. Now they are proceeding with urban renewal. In the last year they have organized the Gateway Commission and have been moving steadily to make it a force for the economic regeneration of their region.

To accelerate and maintain that reawakened resourcefulness they might well set their sights on a goal that may be expressed in the following words: "Make room in the Gateway Region for industries, home grown and expanding from other places, that can make production equipment more productive than ever."



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Luther H. Hodges, Secretary

AREA REDEVELOPMENT ADMINISTRATION  
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